on imports since 1991. Import restrictions on items including those on dolomite stone as notified to WTO for balance of payment reasons have been completely phased out. Reimposing of restrictions on import will not be consistent with India's international commitments and contrary to the on-going process of economic liberalisation.

However, to provide protection to the domestic producers the Government can, if the situation so warrants, utilize the mechanism of raising the applied tariffs within the bound rates, if such a gap exists and take measures such as Anti-Dumping Action, and Safeguard actions which are permissible under the WTO Agreements.

Review of Indo-Lankan free trade agreement

4. SHRIMATI JAMANA DEVI BARUPAL:
DR. T. SUBBARAMI REDDY:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India and Sri Lanka have decided to review the free trade agreement between the two countries signed three years ago;

(b) if so, the purpose of reviewing this agreement;

(c) whether it has been reported that India and Sri Lanka FTA could be a model for similar agreements with not only countries in the region but also elsewhere; and

(d) if so, to what extent this review would help to increase the quantity of imports allowed by both the countries?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI SATYABRATA MOOKHERJEE): (a) and (b) Article XI of the India-Sri Lanka Free Trade Agreement prescribes for reviewing the progress made in the implementation of the Agreement to ensure that benefits of trade expansion emanating from this Agreement accrue to both parties equitably. The Agreement prescribes for establishing a Joint Committee at a Ministerial level. The Committee can also set up sub-committtees and/or working groups as considered necessary.

(c) A draft model Agreement based on India-Sri Lanka FTA has been prepared for such negotiations. However, the final text of such Agreement depend on the nature and outcome of the negotiations.

(d) The India-Sri Lanka Free Trade Agreement aims for providing zero duty market access on various products covered under the Agreement subject to fulfillment of Rules of Origin prescribed thereunder. The review discussions help both the countries to further enhance their bilateral trade and investment flows and also address the issues relating to procedural problems.

Indo-China trade relations

4. DR. T. SUBBARAMI REDDY:
SHRI K. NATWAR SINGH:

DR. M.N. DAS:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether a number of issues for improving trade relations between India and China were discussed and many agreements were signed;

(b) if so, whether all the hurdles between India and China have been removed in this regard;

(c) to what extent this would help in improving the trade ties between the two countries;

(d) whether a delegation of the confederation of Indian Industry which accompanied the Prime Minister had signed a number of agreements with the Chine businessmen;

(e) if so, to what extent India has been able to tap the Chinese market; and

(f) to what extent these agreements have been helpful?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI SATYABRATA MOOKHERJEE): (a) to (c) During Prime Minister's visit to China during June 22-27, 2003, the following Agreement relating to Trade were signed:

(i) A Memorandum on Expanding Border Trade.